

Message Text

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ACTION AID-59

INFO OCT-01 AF-10 ISO-00 IGA-02 CIAE-00 COME-00 EB-08
FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 L-03 /112 W
-----074597 051332Z /44
R 051233Z JAN 78
FM AMEMBASSY ADDIS ABABA
TO SECSTATE WASHDC 6776
INFO AMEMBASSY NAIROBI

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NAIROBI FOR RHUDO

E.O. 11652: N/A
TAGS: ECON
SUBJ: EXPROPRIATION: CONTINENTAL HOMES

REF: 77 STATE 302897, B. MEMO AID/SER/H LIPPE TO RHUDO/
NAIROBI GOODSON SEPT 8, 1976, C. 77 ADDIS ABABA 6797

1. EMB/USAID DELIGHTED TO HEAR OF OFFICIAL SPOKESMAN
FOR CONTINENTAL HOMES. AS AID/W AND RHUDO WELL AWARE,
BOTH EPMG AND CONTINENTAL HOMES, ETHIOPIA HAVE LONG BEEN
PRESSING AID FOR MEANS OF REACHING CONTINENTAL HOMES.
FORMER WISHES QUESTION COMPANY ON INCOMPLETE RECORDS RE
FOREIGN EXCHANGE TRANSACTION UNDER AID HOUSING INVESTMENT
GUARANTEE LOAN (WITH IMPLICATION THAT ENTIRE AID-
GUARANTEED LOAN NOT REPEAT NOT ACTUALLY IMPORTED INTO
ETHIOPIA); LATTER HAS FILED OFFICIAL COMPPOINT TO BOTH
AID AND EPMG RE CONTINENTAL'S NON-PAYMENT OF SALARY
TO LOCAL MANAGER FOR OVER ONE YEAR.

2. PER REF B), AID INFORMED BOTH EPMG AND CONTINENTAL
HOMES, ETHIOPIA, THAT AID/W UNABLE TRACE CONTINENTAL
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HOMES U.S. OR PARENT GROUP CORONADO BEYOND ANSWERING
SERVICE STAMFORD, CONN., AND A CONN. ADDRESS. (FYI:
CONTINENTAL HOMES, ETHIOPIA CLAIMS IT HAS RECEIVED
NO ANSWER FROM REPEATED LETTERS TO THAT ADDRESS.)
AID/W UNWILLING GO ANY FURTHER THAN THAT, SINCE ISSUES
BETWEEN EPMG/CONTINENTAL HOMES, ETHIOPIA AND
CONTINENAL HOMES, U.S. ARE TECHNICALLY OUTSIDE AID'S

PURVIEW (ALTHOUGH THEY AROSE FROM AID HOUSING GUARANTEE).
HOWEVER, EPMG HAS FROM TIME-TO-TIME THREATENED NON-
PAYMENT ON AID-GUARANTEED LOAN IN PROPORTION NON-
RECEIPT FX FROM CONTINENTAL HOMES. AID HAS DENIED
VALIDITY SUCH ACTION. ISSUE QUIESCENT FOR SEVERAL
MONTHS NOW AND EPMG MAKING REGULAR PAYMENTS ON LOAN.
WOULD HATE TO REOPEN THIS MATTER ON OFFICIAL BASIS
FROM U.S. SIDE.

3. RE COMPENSATION, CONTINENTAL HOMES DID FILE CLAIM
FOR \$1,694 MILLION FOR NATIONALIZED URBAN HOMES.
GIVEN COMPLEX ISSUES RE FOREIGN EXCHANGE TRANSACTIONS,
LOCAL MANAGEMENT, AND VARIOUS OTHER OUTSTANDING LOCAL
CLAIMS STILL PENDING AGAINST CONTINENTAL, WE WOULD
GUESS THAT ADJUDICATION THIS CLAIM WOULD BE AMONG
MOST COMPLEX FACED BY COMPENSATION COMMISSION* REF C)
PREDICTED THAT SUCH CLAIMS WOULD BE A LONG TIME IN
SETTLEMENT.

4. UNDER CIRCUMSTANCES DESCRIBED ABOVE, PROPOSE
EMBASSY ACTION REQUESTED PARA 2 REF A) BE LOW-KEY
AND POSED IN TERMS RESPONSES TO ALL SUCH INQUIRIES
RATHER THAN ENTERING EMBASSY DIRECTLY INTO DISCUSSION
COMPLEXT CONTINENTAL HOMES ISSUES.

DECONTROL DEC 31, 1980.
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MATHERON

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION
Control Number: n/a
Copy: SINGLE
Draft Date: 05 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978ADDIS00037
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780008-0570
Format: TEL
From: ADDIS ABABA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780199/aaaadfav.tel
Line Count: 95
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 31db8be6-c288-dd11-92da-001cc4696bcc
Office: ACTION AID
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 302897
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3827382
Secure: OPEN
Status: NATIVE
Subject: EXPROPRIATION: CONTINENTAL HOMES
TAGS: ECON, ET
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/31db8be6-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014